

## ***Additional Information***

In addition to the licensing requirements above, Arizona law provides an additional provision regarding the unlicensed contractor:

### **§32-1153. Proof of license as prerequisite to civil action**

No contractor as defined in section §32-1101 shall act as agent or commence or maintain any action in any court of the state for collection of compensation for the performance of any act for which a license is required by this chapter without alleging and proving that the contracting party whose contract gives rise to the claim was a duly licensed contractor when the contract sued upon was entered into and when the alleged cause of action arose.

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<http://www.azroc.gov>

The Registrar of Contractors is an Equal  
Employment Opportunity Reasonable  
Accommodation Agency

# ***A Consumer's Guide...***

## ***Contracting for Residential Construction***



## ***To Build or Not To Build?***

Almost nothing fulfills the American dream better than the opportunity to build your own home or remodel to suit your fancy. It's an exciting experience to see a stone fireplace, gleaming kitchen or spacious bathroom turn from a wish into reality.

But most homeowners have limited knowledge about the construction business. This flyer has been prepared by the Arizona Registrar of Contractors to guide those who are undertaking a home construction project, no matter how large or small.

Contracting is a business that should be approached with the same attitude that would apply in any other business dealing... **Buyer Beware.** For protection, those who will be hiring a contractor should do business **only** with licensed contractors under the terms of a written contract.

This flyer provides a limited look at some of the things to consider regarding home construction.

## ***Licensing Requirement***

In Arizona all contractors who perform residential and commercial remodeling and construction must be licensed and bonded. One exception, however, applies to work performed where the material and labor are

less than \$750, there is ***no building permit required*** and the work is not part of a larger project.

To obtain a license, contractors must pass a business management test and possibly a trade test, depending upon the type of construction performed. Contractor's work history and experience must be listed and many license classifications require a specified length of experience. Contracting without a license is a Class 1 misdemeanor, punishable by up to a \$2,500 fine and 6 months in jail. It should be noted that conviction of a second offense within a two year period could be designated a felony punishable by 1-1/2 years in jail and up to a \$150,000 fine.

There are many kinds of contractors—those who specialize in one area of work such as plumbing, electrical, painting or roofing, for example—and general contractors who will manage a job that may call for specialists in several areas.

## ***Check Out Your Contractor***

Once you decide on a contractor, you can call the Registrar's office or get on our website to find out if the contractor is licensed and in good standing, or if the contractor has a history of complaints, a suspended or revoked license, or is on probation. Generally, the information available will help you determine whether or not you have chosen the right contractor.

It is important to get all of the information regarding the contractor in question: (1) the correct name and spelling of the company; (2) the contractor's license number; (3) the company owner's name. Licensed contractors are issued an identification card indicating their license number and trade classifications. If you are dealing with a representative of the company, not the owner, call the company and secure this information. A licensed contractor should not object to supplying you with this information.

Contractors are licensed for the protection of the consumer. The Registrar of Contractors can order licensed contractors to correct defective work. There is no similar recourse against unlicensed contractors.

It is a common myth that unlicensed contractors are cheaper than those who are licensed. Since there is little remedy if the unlicensed contractor fails to complete the job or do repairs, the unlicensed contractor could end up costing you substantially more in the long run.